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C O N F I D E N T I A L SECTION 01 OF 02 TEL AVIV 006579

SIPDIS

E.O. 12958: DECL: 11/21/2015

TAGS: [PREL](#) [PGOV](#) [KWBG](#) [IS](#) [SETTLEMENTS](#)

SUBJECT: GOI ISSUES TENDERS FOR CONSTRUCTION IN MA'ALE  
ADUMIM, PLANNING 350 ADDITIONAL UNITS

REF: TEL AVIV 04830

Classified By: Deputy Chief of Mission Gene A. Cretz for reasons 1.4 (b)  
) and (d)

1. (C) Summary: Israeli press reported on November 17 that the Israel Lands Authority issued two separate tenders for the sale of 13 plots in Ma'ale Adumim. The plots range from 431 to 1,067 square meters, and will cost between \$69,000 and \$125,000. In addition, Minister of Construction and Housing Yitzhak Herzog announced this afternoon, November 21, on Kol Israel radio that his ministry would approve plans to build 350 units in the 07 neighborhood of Ma'ale Adumim in the coming days. Colonel Oded Herman told econoff that the master plan for these units was approved in 1995, and that Herzog is referring to detailed plans which include all the necessary infrastructure. Herman also said that the master plan was for 600 total units, and that the Housing Ministry is working on the remaining 250 units, which have not yet been announced. Senior DDG for Planning and Coordination Chaim Fialkoff at the Housing Ministry professed not to have any details on the plans, but told econoff he would check when the Ministry expects to publish the plans. End summary.

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Tenders Issued in Ma'ale Adumim  
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2. (U) Press reported Thursday, November 17, that the Israel Lands Authority issued a tender for 11 plots to construct single-family houses on Site 6 of Ma'ale Adumim settlement, east of Jerusalem. According to the tender, which was published in Yediot Aharanot, the plots of land will be from 431 to 630 square meters, and can be leased for 98 years, with an option to extend for an additional 98 years. They will cost a minimum of NIS67,500, approximately \$15,000. The houses will be privately financed by the residents, and the tender states that the expenditure for development will be NIS244,000-325,000, or \$54,000-72,000, depending on the size of the plot. Buyers must bid by December 25, 2005.

3. (U) In addition, press reported on November 17, that the Israel Lands Authority issued a separate tender, also for Ma'ale Adumim, for two plots to construct single-family houses on HaKatrus Street. According to the tender, which was published in Ma'ariv, one plot of land will be 912 square meters, and will cost a minimum of NIS82,000, approximately \$18,200. The expenditure for development for this plot will be NIS411,000, approximately \$91,300. The second plot will be 1,067 square meters and will cost a minimum of NIS83,000, approximately \$18,400. The expenditure for development for this plot will be NIS481,000, or \$107,000. Both plots can be leased for 98 years, with an option to extend for an additional 98 years, and buyers must bid by January 8, 2006.

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Planning for Another 350 Units Underway  
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4. (U) Today, November 21, Minister of Construction and Housing Yitzhak Herzog announced on Kol Israel radio that his ministry would approve plans to build 350 units in the 07 neighborhood of Ma'ale Adumim in the coming days. He reportedly said that he supports building inside the settlement as a way to strengthen the greater Jerusalem area, but noted that he is opposed to building in the disputed E-1 neighborhood of Ma'ale Adumim. (Note: Per ref A, Herzog, during his tenure as Housing Minister, has approved tenders in settlements that he considers to be in the "consensus settlement blocs" that will be in Israel, or to the west of the separation barrier. End note.) Herzog's comment on E-1 comes at the heels of Defense Minister Shaul Mofaz's statement last week that a decision on whether or not to build in E-1 would be made before elections. In a possibly related event, the Housing Ministry published tenders in Ha'aretz on November 17 for bids to build two transformer stations and prepare infrastructure in the 07 neighborhood.

5. (C) Colonel Oded Herman of the Ministry of Defense told econoff that the master plan for these units was approved in 1995, and it was up to the Housing Ministry to work out the detailed plans which included the necessary infrastructure. (Note: The master plan is simply an indication that interested parties want to build in the area. End note.)

According to Herman, the Housing Ministry has so far prepared the detailed plans for the 350 units announced by Herzog, and it is still working on an additional 250 units since the original master plan was for 600 units. Econoff spoke with Chaim Fialkoff, Senior DDG for Planning and Coordination at the Housing Ministry, and he professed not to have any specific details on the plans. He said he would check on when the plans will be approved and published, and if there are any other projects being planned in Ma'ale Adumim.

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